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09/750,001	12/29/2000	Scott M. Frank	BS00-428	6605

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EXAMINER
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OUELLETTE, JONATHAN P

ART UNIT	PAPER NUMBER
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3629

DATE MAILED: 09/21/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No.

09/750,001

Applicant(s)

FRANK ET AL. 

Examiner

Jonathan Ouellette

Art Unit

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 29 December 2000.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-52 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-52 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_

## DETAILED ACTION

### *Response to Amendment*

1. Claims 2-52 have been added; therefore, claims 1-52 are currently pending in application 09/750,001.

### *Claim Rejections - 35 USC § 101*

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. **Claims 1, 17, 24, 50, and 52 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.**

4. The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

5. As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an

exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

6. Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).
7. This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the

claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

8. In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.
9. The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income,

expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

10. Independent Claims 1, 17, 24, 50, and 52 appear to be a process that is attempting to sell an intellectual property management/marketing and innovator tracking/rewarding service. Thus, this process does not include a distinguishable apparatus, computer implementation, or any other incorporated technology, and would appear to be an attempt to patent an abstract idea not a “tangible” process and, therefore, non-statutory subject matter.

***Claim Rejections - 35 USC § 103***

11. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

- (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

- 12. Claims 1-52 are rejected under 35 U.S.C. 103(a) as being unpatentable over Asplen, Jr. (US 6,044,354), in view of Harshaw (US 2001/0010041 A1 – CIP of Application 09/413,135, which contains subject matter used for rejection).**

13. As per independent Claims 1, 17, 24, 37, and 52, Asplen discloses a system (method, computer-readable medium) for intellectual property development, marketing and

maintenance, the system comprising: an intellectual property marketing system to manage marketing of an intellectual property asset (plurality of assets), the intellectual property asset based at least in part on an innovation(s) submission of an innovator(s); and an innovation maintenance management system to, the innovation maintenance management system being coupled to the intellectual property marketing system (abstract, c2-c5).

14. Although Asplen does disclose tracking the innovators, Asplen fails to expressly disclose managing the rewarding of the innovator based at least in part on the innovation submission.
15. Harshaw discloses a product development system which tracks and rewards innovators through a percentage of innovation royalty fees (para 0013-0015).
16. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have included managing the rewarding of the innovator based at least in part on the innovation submission, as disclosed by Harshaw in the system disclosed by Asplen, for the advantage of providing system for intellectual property development, marketing and maintenance, with the ability to increase system effectiveness by offering an incentive for product ideas.
17. As per Claims 2, 18, 25, and 38, Asplen and Harshaw disclose a contract management system to manage a contract (license) related to the intellectual property asset, the contract management system being coupled to the intellectual property marketing system (Harshaw: Fig.2).
18. As per Claims 3 and 19, Asplen and Harshaw disclose wherein the intellectual property marketing system includes an intellectual property marketing record corresponding to the intellectual property asset.

19. As per Claims 4, 26, and 39, Asplen and Harshaw disclose wherein the intellectual property marketing record includes status level information (Asplen: evaluation sections) corresponding to one or more marketing status levels.
20. As per Claims 5, 6, 20, 27, 28, 40, and 41, Asplen and Harshaw disclose wherein the intellectual property marketing record includes a project identifier, and/or contact information.
21. As per Claims 7, 29, and 42, Asplen and Harshaw disclose wherein the intellectual property marketing system is to generate one or more reports based at least in part on the intellectual property marketing record (Asplen: evaluation reports).
22. As per Claims 8 and 21, Asplen and Harshaw disclose wherein the contract management system includes a contract tracking record corresponding to the contract.
23. As per Claims 9, 10, 22, 30, 31, 43, and 44, Asplen and Harshaw disclose wherein the contract tracking record includes a project identifier, and/or one or more intellectual property identifiers.
24. As per Claims 11, 32, and 45, Asplen and Harshaw fail to expressly show wherein the contract management system is to generate a report based at least in part on the contract tracking record.
25. However, such business reporting was well known at the time the invention was made a matter of simple record keeping.
26. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have included wherein the contract management system is to generate a report based at least in part on the contract tracking record, in the system disclosed by



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Harshaw in the system disclosed by Asplen, for the advantage of providing system for intellectual property development, marketing and maintenance, with the ability to increase system effectiveness by maintaining/producing up-to-date business records/reports of transactions.

27. As per Claims 12 and 23, Asplen and Harshaw disclose wherein the innovation maintenance management system includes an innovation award record corresponding to an innovation award to the inventor based at least in part on the innovation submission.

28. As per Claims 13, 14, 33, 34, 46, and 47, Asplen and Harshaw disclose wherein the innovation award includes innovator information, and/or an innovation identifier.

29. As per Claims 15, 35, and 48, Asplen and Harshaw fail to expressly show wherein the innovation maintenance management system is to generate on or more reports based at least in part on the innovation award record.

30. However, such business reporting was well known at the time the invention was made a matter of simple record keeping.

31. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have included wherein the innovation maintenance management system is to generate on or more reports based at least in part on the innovation award record, in the system disclosed by Harshaw in the system disclosed by Asplen, for the advantage of providing system for intellectual property development, marketing and maintenance, with the ability to increase system effectiveness by maintaining/producing up-to-date business records/reports of transactions.

32. As per Claims 16, 36, and 49, Asplen and Harshaw disclose wherein the innovation maintenance management system is to generate at least in part a maintenance communication to the innovator (Asplen: innovator update reply, C3 L24-25).
33. As per independent Claim 50, Asplen discloses an innovator tracking and maintenance system, the system comprising: an innovator tracking system to store a plurality of innovator data records, each innovator data record of at least a subset of the plurality of innovator data records corresponding to an innovator; the innovator maintenance system being coupled to the innovator tracking system (abstract, c2-c5).
34. Although Asplen does disclose tracking the innovators, Asplen fails to expressly disclose managing the intellectual property award data records corresponding to an innovator.
35. Harshaw discloses a product development system which tracks and rewards innovators through a percentage of innovation royalty fees (para 0013-0015).
36. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have included managing the intellectual property award data records corresponding to an innovator, as disclosed by Harshaw in the system disclosed by Asplen, for the advantage of providing system for intellectual property development, marketing and maintenance, with the ability to increase system effectiveness by offering and tracking an incentive for product ideas.
37. As per Claim 51, Asplen and Harshaw disclose wherein the innovator maintenance system includes an innovation gift system, the innovation gift system including a plurality of innovation gift data record (percentage of royalties), each innovation gift data record of at

least a subset of the plurality of innovation gift data records being associated with one or more innovator data records (percentage of royalties).

***Conclusion***

38. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

39. The following foreign patent is cited to show the best foreign prior art found by the examiner:

**PCT No. WO 200108031 A2 to Collins et al.**

Collins discloses a computer system for managing intellectual property.

40. The following non-patent literature is cited to show the best non-patent literature prior art found by the examiner:

**Kempner, Richard; Sampson, Ian, "Many a slip," Managing Intellectual Property, v7n42, PP:15-26, September 1994**

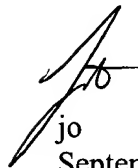
Kemper discloses some intellectual property management strategies.

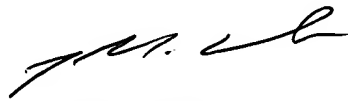
41. Additional Non-Patent Literature has been referenced on the attached PTO-892 form, and the Examiner suggests the applicant review these documents before submitting any amendments.

42. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jonathan Ouellette whose telephone number is (703) 605-0662. The examiner can normally be reached on Monday through Thursday, 8am - 5:00pm.

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43. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on (703) 308-2702. The fax phone numbers for the organization where this application or proceeding is assigned (703) 872-9306 for all official communications.
44. Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 306-5484.

  
jo  
September 9, 2004

  
JOHN G. WEISS  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 3600